GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1172
ANSWERED ON:03.03.2015
COMMISSION FOR FPS LICENSEES
Mishra Shri Bhairon Prasad

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has received request from the Fair Price Shop holders to increase their commission;

(b) if so, the details thereof and the action taken by the Government in this regard;

(c) whether the Government is aware that they are getting involved in corrupt practices due to the low commission paid to them; and

(d) if so, the action plan formulated to check this practice?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAOSAHEB PATIL DANVE)

(a) & (b): Requests have been received from the fair price shop (FPS) dealers to increase their commission. However, since distribution to beneficiaries is the responsibility of the State/UT Governments and they have been given the flexibility in the matter of fixing the margin for FPS dealers, such requests are sent to State/UT Government concerned to take further necessary action.

(c) & (d): Low commission to FPS dealers is one of the reasons cited for malpractices at the FPS level. Accordingly, this Department has been emphasising on States/UTs to take steps such as diversification of commodities distributed through PDS and fixing the FPS dealers margin at reasonable level in order to improve the viability of FPS.